Scientology - Review and Planning

Review

The Scientology cases over the past year has consumed a significant amount of our time. A roughjestimate surely places it above 75% for Kevin, Mike, Tom and Tom. Review at this time isnecessary to determine just what path the Scientology cases should take. We have a varierty of alternatives to consider. To date our efforts reflect a passive investigation of Scientology, that is getting our name out:

(Class Action-Media) and letting information flow back (so far productive and cost efficient), followed by the filing of a few selected cases. (In hindsight we now have many indivdual cases as good or better than those chosen).

Although it's premature to say we have reached the crossroad or critical decisions time of any Scientology case a clear outline of what we want to achieve with Scientology is both prudent and necessary. In this fashion we can proceed one way or the other and streamline our own time rather than follow the haphazard foutine of reacting to situations as they arise, such as keeping our few cases current and plodding along toward their trials.

Planning

The planning stage can be described in outline form that covers three principal areas: First, Phase Down-Keep our cases current-try to settle get out, Second, continue keep these cases add one or two good ones listen to settlement keep work time minimal, thirdly all out-primary purpose settlement.

A. Phase Down

Advantages

Disadvantages

Future Cost

\$ Loss to Date

Time Spent

Time Investment

End Hastles

Future Revenue

- 2) Drop Hartwell to far (crossed out: A Phase Down of Scientology)
- 3) Attempt Settlement
- Inform all Ex Scm of plan after settlement

3. Continue Small Growth

- 1) React
- 2) Add 1 Or 2 good cases
- 3) trim costs and time
- Listen to settlement

C. All Out :

An all out effort would engiall a great amount of our time. Its primary purpose is to postion ourselves such that to fight us would be cost ineffective coupled with potential of:

a) closing orgs b) adverse media

c) adverse public
d) Fed & State Attacks

To Institute this plan

- Cost \$
- 1) Prepare demand letters from list to Scn. Orgs c.c. ed to central org
- 2) Arrange co-counsel try to organize demand letters with follow up of complaints in few cities for cost effectiveness
- 3) Hire on limited basis if necessary para legal or fresh grad students cheap
- 4) More "open" conversation such as Tom H. with Benjoya
- '5) Continue feeding media in all pertinent cities

Possibilities

1) Informer - Dana Plan

2)

Note: Preparation time table necessary from everyone

EXHIBIT PAGE 2

JANSI C

Loss of Income and lasiness

A. Adverse Publicity

- 1. Local Newspaper activity in cities where clients reside and lawsuits have been filed:
 - a) Television appearances on newspapers and talk shows (i.e. Boston news programs and norming talk show, Good Day)
 - b) Newspaper commentary local journalist have keyed upon criminal and tortious practices of Scientology members (i.e. Eoston Globe, Boston Herald, Real Paper, have published articles critical of Scientology practices as alleged in local complaints; Clearwater Sun, St. Petersburg Times, etc. have likewise exposed Scientology practices in outlined in local suits.)



- a) UPI and AP wire services have written and transcribed numerous stories for their stories for thier clients, Burden complaint and accusations res L. Ron Hubbard; Dr. Lawerence Stifler and physical attack by Scientologist; LaVenda Van Schiack class action.
- b) 60 Minutes our own office assisted Allan Maraynes in production of Scientology documentation by providing witnesses and documents.
- c) Time Manazine our office provided extensive witnesses and documents to Evan Thomas.
- d) Prime Time our office assisted Stephanie Heagher with documents and witnesses in preparation of documentary or Scientology.
- e) Reader's Digest "Scientology: Anatomy of a Frightening Cult," assisted Gene Methyin with documents and witnesses.
 - f) St. Louis Dispatch: assiting Bill Freivogel with fits supporting documents and witness corroboration.
- g) Las Venas Roview Journal assisting Sherman Frederick with facts, supporting documents and witness corroboration.
- h) ARC San Francico We have assisted Tim Finely with facts supporting documents, and witness cooroboration.
- 1) Clearwater Sim we have periodocally assisted Richard Leiby with a series of articles regarding Scientology.
- 1) <u>National Phouirer</u> assisted N.E. reporter with background information for article about Presely estate.
- The Snapping Convay & Seigelman consulted extensively with us write writing their book. We provided them with particular documents.

- 1) <u>Fiverside Free Press</u> we assisted Dick Lyneis with documents, witness, efficients, and other background information regarding Scientology and the Gilman Hot Springs Operation.
- m) Los Angeles Times weprovided L.A. Times reporters with clients affidavits while they were preparing a series of articles on Scientology.
- n) The American Lawrer did a report on Michael Flynn and the class action in Federal Court in Boston. ..
- o) Foston Globe we assisted Paul Langer with witnesses, documents, and affidavits.

II. Future Adverse Publicity

- A. Filing of future cases by city and state
 - 1. "Turnkey" publicity
 - a) press package including
 - prime documents
 - witness statements
 - previous news articles
 - previous media attention
 - b) consultation with associate counsel re: effective handling of media and re Scientology tactics in harassment and intimidation of media.
- B. Trial of future cases
 - 1) public dissection of internal Scientology operation
 - 2) andia coverage of trial testimony and evidence:
 - -sales technique
 - -missue of auditing information :
 - -criminal activities
 - -Guardians' activities
 - -financial policies, banking and transfer of funds -disconnect and fair-game

 - -falso scientific claims
 - -sexual misconduct

 - -R.P.F. and imprisonment |-military structure and discipline
 - "sec checking" E-meter as a lie detector
 - -OT 3 materials
 - -L.RON Hubbard personal history
 - -debt collection techniques
 - -Scientology use of burglary, electronic surreillance,

E Tay South of the

- third partying
- -blow student doctrine

C. Judicial Precedents

- 1) news impact of judges decisions
 - a) Garrity
 - b) Kreteman
 - e) additional cases

- 2) professional publicity re claims filed and jury verdicts
- D. Harch Conference (see seperate section)
- E. Pook and Film Rights
- F. Loss of Business to Scientology
 - 1) increased rate of defection
 - a) present members are influenced by continual onslaught of bad publicity and public exposure of Scientology "dirty laundry"
 - b) potential defectors are influenced and encouraged by existence of organized group of ex-Scientologists who are sueig Scientology
 - c) potential defectors can . easily locate and meet with organized ex-Scientologists and receive support from them.
 - 2) new membership prospects are impaired by growing public awareness of viscious, greedy, criminal, fruadulent and conspiratorial aspects of Scientology, and by awareness of organized group of ex-Scientologists who are critical of Scientology.

loss of Income and Business

I Adverse Publicity -Local Newspaper Abtivity in cities where client and lawsuits are
-T.V. Appearmaces

-Radio Talk Show -Newspaper Connentary

-National Media Attention

_UPI and AP Services -60 Minutes Assistance

Man Karaynes Evan Thomas Stephanie Meagher

-Time Hagazine -Prime Time Show -Readers Digest

Gene Muthwin Bill Freivogel Sherman Frederick

-St. Louis Dispatch -Las Veges Review Journal

Tim Finley Dick Lynes -A.B.C. San Francisco -Riverside

Paul Kurtz

-L.A. Times -The Zetetil -American Lawyer

Paul Langer Conway&Seigelman Richard Leiby

-Boston Globe-Herald

-Snapping

-Clearwater Sun -Canadian Newspaper -National Enquirer

II Puture Adverse Putlicity

-Filing future cases by city and state

A. Turnkey Publicity

1. Press Package

a. All Documents
b. Witness

c. Client.

d. All other

e. National

f. media exposure

B. Trial of Future Cases-

A dissecting of internal Scientology practices.

1. Hedia Coverage of Trial Testimony and Evidence

a. Sales Technique

b. Recruiting

e. G.O. Activities

d. Misues of Auditing Files

e. Finanacial Policy

-examination of management of transfer of funds between organization for Jurisiciional purposes

1. Scientology Policies

1. Disconnect

2. Fair Game

3. Bi Student 4. Hubbard Policy to Harrass and Delay

5. Third Partying
 6. Bair and Switch

Procedents C. Judicial President

1. New contacts of Judges Decisions

A. Judge Garrity
B. Judge Krentzman

2. Professional Publicity

D. Future National Publicity

- Movie Rights

- Book Rights
- (see present adverse publicity)

E. 1.Local Media To be held in Clearwater (Seminar) Coverage

. 1. Clearwater Sun

St. Petersburg Times
 T.V. Stations
 Local Media Attending from other states

2. Professional Publication

1. Atla Magazine (American Trials Lawyers Association -(ed. note)
2. American Lawyer

3. etc.

3. National Nedia Attention

Loss of Dicome

A. Boston Org B. W.Y. Kission

C. Las Vegas Org D. Las Vegas Mission Closed

E. Flag at Clearwater

CLASS ACTION CASE DEVELOPMENT PROGRAM

1. INTRODUCTION

In June 1979, La Venda Van Schaick, contacted us for the purpose of initiating legal claim on behalf of herself and others against the Church of Scientology and L. Ron Hubbard. At the time, La Venda told us of events, policies, and operations conducted by the Church of Scientology against former members, critics, and individuals that the organization for one reason or another had decided to investigate. La Venda related a remarkable story of fraud, harassment, covert operations involving electronic surveillance, theft, frame-ups, defamatory attacks and fraud. La Venda brought with her documents to corroborate much of what she said and she placed us in immediate contact with others who although initially were fearful, corroborated La Venda's story.

After La Venda reduced her incredible story to an Affidavit, a group of lawyers was formed for the purpose of initiating a preliminary investigation of Scientology and for the purpose of conducting preliminary legal research to ascertain the feasibility of a lawsuit or multiple lawsuits. A lexis scan was obtained which revealed hundreds of suits involving the Church of Scientology. Telephone searches of various media people indicated that the organization had been given at that point a minimal amount of media attention but that various individuals such as Paulette Cooper, an author from New York and Robert Kaufman, a former

5

scientologist, had attempted to-expose Scientology through various publications. The organization had succeeded in silencing to some extent these authors and removing their books from publication through vicious frame-ups, defamatory attacks, and costly lawsuits resulting in the bancruptcy of Paulette Cooper's publisher and the inability of Kaufman to get his book published.

During the organizational stages of our investigation, we learned that a suit against Scientology was then being tried before a jury in Portland, Oregon. The plaintiff in that action had only been in Scientology for a short period of time, approximately nine months and had only paid them approximately \$3,000. In comparison with cases in our files, the amount of damages in this Portland case seemed relatively minimal. However, the jury was shown documents belonging to the organization and the jury heard a description of the methods by which the organziation extracts money which were so fraudulent, harassive, and vicious in nature that the jury returned a verdict of approximately \$2,000,000.00, of which approximately \$497,000 involved damages for intentional infliction of emotional distress, 1.5 million dollars in punitive damages and only \$3,000 in actual damages. To lawyers unfamiliar with this organization, the result would seem to be grossly excessive but in the context of the operational practices of the organization and the written policies it has pursued, the verdict was probably on the low side. After the Portland, Oregon verdict, which is currently on

4

appeal, our group increased its investigatory efforts, hiring a full-time investigator, employed additional legal staff such as law students and para-legals for the purpose of probing deeper into the organization and expediting proposed lawsuits. Our investigation put us in contact with various governmental agencies including the Internal Revenue Bureau, the Washington, D. C. United States Attorney's Office, the Department of Labor, the State's Attorney's Office from Clearwater, Florida, various state governmental agencies from around the United States, and the Federal Bureau of Investigation. Our investigation also put us in contact with Paulette Cooper, Gabe Cazares, a mayor in Clearwater who had been viciously victimized by Scientology, various civic leaders from Clearwater, and numerous media people including the Reader's Digest, the National Inquirer, newspaper reporters from around the United States, Time Magazine, "Sixty Minutes", "Prime Time", and miscellaneous investigative reporters and media personnel.

During the Fall of 1979, we learned that nine of the highest ranking members of the organization were about to go on trial for perjury, burglary, larceny, conspiracy, and miscellaneous other charges relating to break-ins and thefts of documents from the United States Attorney General, the Justice Department, and the Internal Revenue Bureau. Documents detailing these misdeeds by the organization and documents reflecting thousands of examples of conduct outrageous beyond description were seized by the FBI in a raid on Scientology headquarters which raid netted somewhere

in excess of thirty thousand documents. The evidence against
the nine high, members of the organization was so compelling that
they signed a 284 page Stipulation of Evidence with approximately
1500 exhibits attached, which details an incredible story of
criminal activity by the organization. This Stipulation of
Evidence and a Sentencing Memorandum relating to the nine members
are attached.

Between 1979 and June 1980, our investigators together with help from other individuals, copied approximately 15,000 - 20,000 documents which had been made available in the United States District Court in Washington, D.C. These documents, some of which are attached, further corroborated the story told to us by La Venda and reflect an incredible network of fraudulent criminal practices by the organization. These documents have come to be known as the "Washington Documents" and we are in possession of most of the pertinent ones.

These documents reflect the use of coded Telexes and an elaborate communications network to blackmail former members who have attempted to expose the organization, details of Hubbard's background, details of financial workings of the organization, and details pertaining to various criminal operations against government agencies and private citizens. The scope of the fraudulent and criminal activity as reflected in the documents and as corroborated during our independent investigation in the Fall of 1979 paint a scenario of criminal and fraudulent activity so vast in scope as to almost defy description. The fact that the

organization conducted these practices all under the guise of a religion further accentuated the outrageousness of the organiza-

This latter fact, namely operating under the aegis of a religion, gives rise to a cause of action for fraud because the organization specifically misrepresented its nature and practices. Infact, the Internal Revenue Bureau is currently engaged in litigation seeking to eliminate the organization's tax exempt status. Most of the individuals testifying in that case are our clients. Indeed, many individuals who have testified before Grand Juries, presently pending in New York, and Clearwater, Florida, are clients who surfaced after we initiated a class action suit with the attendant media coverage.

After an extensive investigation, our group then brought
La Venda's case in the form of a class action in the United

States district Court for the District of Boston. This suit

Currently involves causes of action for various types of fraud,

violations of the Racketeering Influenced Corrupt Organizations

violations of the Racketeering Influenced Corrupt Organizations

Act commonly called RICO, violations of the Fair Labor Standards

Act, breach of contract, and intentional infliction of emotional

distress.

The actions for fraud which are intertwined with the actions under RICO have a solid footing not only in the facts but also in some of the legal precedents which have involved Scientology. Primary among such precedents is the case of <u>U.S.</u> vs. Article or <u>Device</u> in which the judge specifically found that the writings

and policies of Scientology were fraudulent in nature. The Court ordered that specific warnings be given to the people who were exposed to Scientology. For example, the judge in the Article or Device case stated the following:

"The bulk of the material is replete with false medical and scientific claims devoid of any religious overlay or reference. Two books ... are typical examples of books containing false scientific non-religious claims."

"Whether the documents are viewed singularly or as a whole, the proof showed that many false scientific claims permeate the writings and that these are not even inferentially held out as religious either in their sponsorship or context."

The Court went on to issue an order that all Scientology publications and the E-Meter bear labels stating that their use is not medically or scientifically capable of improving the health or bodily functions of anyone.

Since that opinion was issued in 1971 the organization has continually violated the Order of the Court and most if not all of our hundreds of clients have been victimized by the failure of the organization to give the required warning. In fact, representations made by the organization during the process of defrauding victims of their money, are specifically contrary to the Court Order. There are specific written Scientology policies in which Hubbard has encouraged his followers to tell victims whatever they have to tell them in order to sell them courses or materials. We have affidavits from former Scientologists who have participated in this fraudulent money making scheme by engaging in meetings to which the Scientology salesman were sent

out onto the street passing themselves off as College students and whatever necessary in order to attract money. Indeed, the typical Scientology sales technique involves first ascertaining the victims financial resources, and if they are considerable, then making whatever representations are necessary in order to get the person involved in a series of courses which are cleverly designed to induce the victim to take higher level courses for greater and greater amounts of money. This scheme is commonly called a "bait and switch" scam. Part of the technique involves an operation called auditing during which the victim is placed on a crude form of a lie detector, called the E-Meter and is then made to confess every intimate detail of his or her life and at a cost which generally involves \$3,000-\$5,000 for the first level of auditing. Before the victim has realized, and sometimes it takes years, that he has been defrauded, he has disclosed to the organization details about his life and the life of everyone he knows, including his ents, friends, relatives, etc., which places the organization in a position to threaten or blackmail the individual either subtly or overtly from seeking their money back. Over the past fifteen years when a few individuals have attempted to expose the organization and seek a refund of their money, some of which runs into the hundreds of thousands of dollars, the organization has typically brought defamation actions, against the individual, seeking to deluge them with legal costs or have engaged in covert operations such as seeking to get the individual placed in a mental institution after spiking their drinks with drugs or conducting frame-ups in which the person is

perceived to be mentally unstable. The viciousness of some of these attacks are reflected in the Washington documents and in other documents that have been brought to us by members who have defected from Scientology.

perhaps the most obvious fraud count against the organization involves the documents which the organization sells to the public. holding itself out as a religious, scientific, benevolent and humanitarian organization whereas all of the inner operational practices of the organization and the attendant documents repractices of the organization and the attendant documents reflect a criminal conspiracy based upon fraud, deception and extortion in order to get money. The incredible dichotomy between Scientology's public face and its private face gives rise to a basic cause of action for misrepresentation of the entire nature of the organization.

In many instances Scientology has been involved in overt operations of kidnaping, extortion, blackmail and overt frauds such as directly taking a person.

Y without providing any without providing any without providing any rise to violations of the RICO Statute. That Statute basically gives a cause of action to any person who has been victimized by various types of "racketeering activity", which is defined by the statute as acts of extortion and mail fraud, among others. A simple RICO violation is made out, for example by the fact that the organization has sent through the mails most of its publications without giving warnings required by the Article or Device case. Aside from the fraudulent representations contained

10

within the publications, the very fact that the organization has failed to comply with the court order and has taken money from its victims without giving the prescribed warnings constitutes a RICO violation and gives rise under the civil damages portion of the Statute for treble damages.

Aside form the obvious breach of contract theories that are - inherent in most cases involving former Scientologists, an additional salient basis for liability involves intentional infliction of emotional distress. The organization has secret documents which are in our possession which mandate, for example, the application of the "Fair Game doctrine" against its opponents. This doctrine states in parts that an SP, that is one who is opposed to Scientologists, "may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, sued, or lied to or destroyed. Another policy involves what is called, "Disconnect" in which a person is forced to divorce or separate Trom his or her spouse, parents or relatives for any reason that L. Ron Hubbard feels necessary. This policy is designed to control or "brainwash" the person so that a spouse or relative exercising independent judgement attempting to influence a potential victim from paying money will be separated or alienated from the victim so that the influence can be dissipated.

Of course, all of these causes of action involve punitive damages which in the perspective of the documents and the horror stories related by most people could run into the millions and

and millions of dollars. Since the initiation of the class action suit, our group has generated extensive media attention about Scientology including publication of an extremely cogent Reader's Digest article, programs on "Sixty Minutes", "Prime Time", forthcoming programs on ABC, as well as various local televised programs throughout the country and thousands of newspaper articles. The reaction to the media attention in the class action suit has been overwhelming. We have been inundated with hundreds of clients, parents, and relatives who have sought to retain our services. Our clients have cooperated with numerous law enforcement agencies, the Internal Revenue Bureau, and various attorneys around the United States who are also involved in litigation against Scientology. Our group has collected the most of the publications of Scientology and L. Ron Hubbard and many of their tapes. Some of these documents and tapes are extremely secretive and damaging to Scientology and have never been heretofore published. We have assisted numerous attorneys in various probate actions including custody battles which have originated across the country from the policy of "disconnect" and also from the attempts by Scientology to place children in Scientology " Apple Schools" while the Scientology spouse is generally on welfare and the divorced parent is paying alimony or child support. In a recent New Hampshire case, the documents . and witnesses marshalled against the Scientology spouse on behalf of an airline pilot to keep his eight year old son out of Scientology were sufficient to cause the organization to give up allowing

12

the husband to obtain full custody of the child.

Since the class action case, eleven additional cases have been brought in Boston, Tampa, Florida and Las Vegas. of these cases a doctor/marathon runner was assaulted outside Scientology headquarters when he rebuffed their sales attempts In the perspective of the resulting in a torn medial meniscus. numerous Scientology marketing documents which exort its members to do anything to make a sale and in the light of numerous other documents that encourage irrational and criminal activity in Scientology adherents, the case achieves a value far in excess of the specific damages relating to the knee which generally carry verdicts across the country in the range of \$75-150,000. And in another case about to be filed, the well known Boston law firm of Bingham, Dana & Gould was burglarized by the organization, a Belmont doctor's office was burglarized and various other governmental agencies were infiltrated, all of which related to an attempt by the organization to destroy Paulous Cooper. This case involves potential damages in the millions of dollars not only in the context of the damages inflicted upon this person about which there has been extensive publicity but particularly because of the outrageousness of the organization's conduct

Perhaps one of the most valuable Scientology cases that our group has encountered involves the remarkable story of a teenage girl who during her most formative years, age 13 to 18, was seduced into Scientology by its typical faudulent representations

and then made to work in inhumane labor conditions serving as the personal slave of Hubbard. She was involved in such acts as dressing him and undressing him morning and evening, catching his cigarette ashes, preparing his shower and toilettries and coding and decoding his Telexes involving various criminal operations and conspiracies that Hubbard was conducting. This young lady was never given any High School education. In fact, the organization specifically used her to violate the health and education laws of the State of Florida. Aside from the fact she lost five of the most vital years of her life, has been severely psychologically damaged and has been made to participate in involuntary servitude, the punitive damages inherent in the case are in the conservative range of ten to twenty million dollars. We have other clients who have participated in similar types of activity although not as flagrant or as prolonged.

In addition to the cases which I have just outlined, we have presently approximately 192 clients with hard damages in the range of 20 million dollars. These damages are predicated upon monte. paid to the organization and time spent laboring for the organization without being compensated. In some instances the victims have paid between \$75,000 and \$100,000. In many instances the victims have paid between \$40,000 and \$75,000. And in nearly every case the organization has extracted a minimum of \$5,000 to \$15,000 from these people. The man hours of labor, even at minimum wage standards amount to approximately \$20,000.000.00.

In our present litigation we have won practically every motion

before the various courts and in all cases we have won every major motion such as motions to dismiss.

and extensive memoranda on virtually every issue involved in a scientology lawsuit. These memoranda include First Amendment issues, jurisdictional issues, discovery issues, venue issues and numerous other legal issues. At the present time, we have acquired the capability to distribute what can be referred to as "turn key lawsuits" in which we provide the clients, the damages, the pleadings, the memoranda, the documents, the witnesses and virtually everything required for an instantuneous trial with little or no necessity for discovery. This preparation has taken thousands and thousands of man hours of work and hundreds of thousands of dollars.

We are in the process of securing book rights and movie rights for not only the incredible story of Scientology's criminal and fraudulent activity, but also the legal story of what is necessary to defeat this organization.

Prior to the inception of the class action, individuals defecting from Scientology had no one to turn to because most attorneys throughout the country were fearful of taking on these cases because of First Amendment problems, Scientology harastent, questionable damages, and the cost of collecting, investigating and preparing a lawsuit. There have always been various governmental agencies and religious freedom groups to which a former Scientologist could turn but which availed little or nothing in the way of remedial action. Our group has provided

(15

a Tegal haven for former Scientologists in pressing
their claims against the organization. We have become
the communication center for coordinating the activities
of various law enforcement agencies, attorneys, parents,
media and former Scientologists seeking to provide information and seek redress.

We have been contacted by various large national groups who have sought our assistance and who have been victimized by Scientology. We have placed groups of clients in contact with other groups who are currently coordinating various programs to expose and expunge Scientology's fraudulent practices. These programs involve information exchange groups, and groups planning to picket Scientology Orgs for the purposes of informing potential victims of what Scientology is. Scientology is no longer able to deal with those that are trying to expose it by costly lawsuits and vicious attacks because of the media exposure and lawsuits which such conduct generates.

We are presently planning the organization of international lawsuits in England, Sweden, and other countries. We have been contacted by numerous Scientologists worldwide who hav

16

been victimized by the organization and who currently seek legal

redress. The purpose of this conference is to educate you in as short a period of time as possible what a case against Hubbard and Scientology entails. It is to distribute to you the clients, the documents, the names of appropriate witnesses for your individual cases and the various legal memoranda and pleadings that you may use as prototypes. Nour intent in this first con-Terence is to institute through you as we have indicated in our previous mailings, fifty lawsuits by March 15, 1981. And in the second conference that we are planning in May, 1981, to institute a second fifty lawsuits. Thereafter, at three month intervals, we hope to institute fifty additional suits until all of our present clients' actions have been brought. It is projected that this activity will generate a chain reaction in bringing former Scientologists out of the woodwork as well as generate massive publicity to assist in this endeavor. Since Scientology has defrauded thousands of people of hundreds of millions of dollars, based on our present calculation, we are seeking by the end of 1981 to have initiated one thousand lawsuits against the organization. The purpose of this activity is to substitute individual actions for the class action which is currently pending in the Federal District Court of Boston and which inherently involves problems relating to jurisdiction, conflicts of laws, and damages.

As indicated on your agenda, various parts of this conference

will entail a description of our present cases involving a more detailed look at the causes of action, the damages, and various legal issues. The next part of the conference will involve a description of our present clients and cases that are ready to be filed forthwith. The next section of the conference will relate to an overall description of Scientology in these lawsuits. Thereafter, we will ensider the loss of income which Scientology has suffered since the inception of our suits as well as the cost to Scientology of defending a prototype case. We will end with a summary of some of what we have discussed and a summary of the various ranges of jury verdicts that we expect to recover as well as the total cost to Scientology resulting from these lawsuits.

For many years Scientology has used the law and the courts of this country to serve its own vicious and fraudulent goals. In perhaps one of the more memorable statements of L. Ron Hubbard, which the organization has pursued as policy for many years, Hubbard gives the following perspective of the law:

"The defense of anything is untenable. The only way to defend anything is to attack, and if you ever forget that, then you will lose every battle you are engaged in, whether it is in terms of personal conversation, public debate or a court of law. Never be interested in charges. Do, your-law. Never be interested in charges. Do, your-law. Never be interested in charges. Do, your-law. Seeing that you've won, will win. The public, seeing that you've won, will then have a communication line that the Scientologists win. Communication line that the Scientologists win. The law can be used that Scientology takes all of its objectives. The purpose of the suit is to harass and discourage rather than to win. The law can be used very rather than to win. The law can be used very easily to harass, and enough harassment on some-labody who is on the thin edge anyway, well knowing that he is not authorized, will generally be sufficient to cause his professional decease. If

4 4

possible, of course, ruin him utterly. . (Emphasis Supplied)

It is our intent to demonstrate to Mr. Hubbard that the purpose of a lawsuit is to obtain legal redress for people who have been swindled and viciously damaged by his organization.